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This Side and That

Kerala

As foreseen, the notorious Education Bill was passed. It is an enabling bill; it enables the party in power to dispose of all educational matters in any manner and at any time it finds suitable. The Catholic community spearheaded the opposition; they had the advantage of definite convictions and traditions in education, and they know from their fellow religionists in other countries what the Communist policy involves. Their resistance was splendid and they face the implementation of the unjust law with the courage of martyrs. What was surprising was that religious-minded Hindus in other States had so little to say against the bill; possibly they did not realise what Communism stands for. Anti-religious measures are not exactly mere political manoeuvres on the part of the Reds, but the spontaneous outcome of their basic atheism. It cannot be repeated too often that Communists are not criminals; they are much more dangerous; they are philosophers that have gone astray.

Criminals set a limit to their misdeeds, philosophers do not. It is out of principle that the Reds seek the destruction of all religions ; since they are subjectively convinced that all effort and attention must be concentrated on mundane matters, they are impatient of any other worldly preoccupation and have no use for co-existence with religious organisations, which they at best tolerate when they consider them negligible.

Hence their attempt to monopolise all educational institutions. As Comrade M. I. Kalinin wrote in his book, "On Communist Education" (1950) : "Education must be subordinated to the task facing the Party and the State, the chief task being the maximum assistance in the class struggle we are waging". Such is the import of the Kerala Education Bill.

Red Jargon

A specific trouble when dealing with Communists is their impossible jargon. In ordinary language, democracy implies that the people in some way or other choose the policy to be pursued ; but in what are called the people's democracies, the people are supposed to follow blindly the policy imposed by one man or a small gang at the top. Dictatorship of the proletariat means dictatorship over the proletariat. Proletarian philosophy is the concoction of two bourgeois, Marx and Engels. It was not improved when Lenin added his theory of imperialism and smuggled in his theory of the omnipotence of the Party.

From that time onwards, it must be assumed that what calls itself the Party is always right, and that

all other citizens are wrong, even when they form the majority of the proletarians. A hundred flowers may blossom, but if some of them spoil the colour-scheme in the master's eye, they are classified as weeds and mercilessly uprooted.

The cult of personality is fatal, but what a personality is challenges definition. The cult of Marx, Engels and Lenin is obligatory, but the cult of one of yesterday's heroes like Stalin becomes abominable once Stalinists become a minority. It is true that Stalin himself deserved his posthumous downfall. Is he not the one that introduced the distinction between a good Communist and a bad Communist, which terms do not refer to orthodox doctrine or to talent, but to subservience or independence?

In like manner, in Communist dialect a deviation does not imply that you got out of the way, but that you did not keep in step with the tune played by the first violin. Genuine trade-unionism itself is a horrid type of union, it is despised as anarcho-syndicalism à la Bakunin; and so on and so forth. The Red jargon is a bigger headache for Malayalees than Hindi.

The Kerala Reds have already made their contributions to their masters' lingo. For the police, to keep law and order means only to wait and see; popular education means a system in which managers take the dictation from the students, especially from students who do not deserve promotion; respect for the Constitution means evading its awkward provisions, etc. The Kerala Reds are well in the Moscow tradition.

Union of India

National prosperity is the first essential of our Five Year Plans. National harmony is the second ; for national harmony not only are linguistic and cultural aspirations to be taken into account, but regional prosperity is demanded as well, on the basis of equity and political stability. Was this factor given due weight in our Plans ? Obviously each and every region has not an equal potential of development since the national resources are unevenly scattered, but each and every region insists on tangible proofs that it is not classified as a backward area. It is said that the Planning Commission is giving this problem a keen and timely attention.

Underdeveloped areas are fertile grounds for discontent, frustration and possibly disruptive activity. So far Punjab, Bombay, Madhya Pradesh have been privileged areas ; West Bengal and the Bihar mineral belt have also witnessed a large concentration of industrial development which is most effective to raise the per capita income. But what of Andhra, Maharashtra and Tamilnad ? What of the contrast between the Eastern and the Western districts of Uttar Pradesh ? Is there no way of distributing industries so as to avoid the disparities which exist between the many regions of this vast and complex subcontinent ? The problem will demand a good deal of attention for a good many years to come so that no region comes to feel it is neglected. On the other hand, let local initiative go beyond claims and grievances and rise to the level of suggestions, plans and proposals. The Planning Commission is all ears to take in constructive propositions.

A. L.

Fitting The Individual for the Job

With the establishment of the National Council for Training in Vocational Trades by the Labour Ministry of the Union Government on July 30th, 1957, one more step has been taken to secure the necessary trained manpower for the development of the national economy.

The National Council came into being on the recommendation of the All-India Council of Technical Education Committee which was entrusted with the task of preparing a scheme for the establishment of an All-India Trades Certificate Board. The duty of this Board being to award certificates of proficiency to craftsmen in various engineering and buildings trades on an All India basis, the demand for craftsmen of this type became acute with the industrial expansion of the country. In fact, it was found that while, on the one hand, there were a number of unemployed persons in the country, on the other hand, there were not enough trained workers to meet the demand coming from technical and trades institutions. Thus, as late as June 30th 1957, the number of persons seeking employment on the Live Register of the Employment Exchanges in the country was as follows :-

Industrial supervisors	:	4,707
Clerical workers	:	227,817
Domestic service workers	:	25,818
Skilled and semi-skilled workers	:	57,846
Educational workers	:	39,533
Unskilled workers	:	386,634
Others	:	37,123

It would be wrong, however, to conclude that nothing has been done so far to train the unemployed in various skills and crafts, both to provide them with employment and to meet the expanding demands of industrial development in the country. Till recently, the various programmes managed by the Union Government were mostly emergency measures, in that they were devised to meet the needs of particular situations. Thus, short term training of craftsmen on a national scale was first undertaken during the second world war in order to supply training personnel for the armed forces, and those civilian industries which were engaged on war work. Later, with the coming of peace, these same Training Centres were used to help train ex-servicemen, and till quite recently, many of these Centres were used to meet another emergency which the country faced with the growing refugee problem, and the need to resettle refugees who had to be trained to take up various trades which a new way of life demanded.

With the experience gained over this period, in 1950, the Adult Civilian Training Scheme was opened. It provided a two-year period of training in the technical trades. The present Craftsmen Training scheme which was opened in 1954, is more or less a continuation of the former Adult Civilian Training Plan. At present there are 64 Training Centres giving training in 28 technical schools and 17 trade schools. Under the earlier Adult Civilian Training plan and the present Craftsmen Training Scheme a total of 18,240 persons have so far completed their training in technical trades and 6,781 persons in vocational trades. Since November

1956, the administration of the Training Centres has been transferred to State Governments in keeping with the recommendation of the Committee of the Training and Employment Services Organisation.

In April this year, the Union Ministry of Labour set up its vocational guidance and employment counselling schemes. This fills a long felt need, and is an important step towards helping the unemployed and the young who have just left school to find suitable jobs. The objects of the scheme are to guide school-leavers in the choice of occupation, to develop counselling services for adults seeking employment and to develop attitude tests. The scheme will be introduced during 1957 - 58 in the employment exchanges at Delhi, Bombay, Calcutta, Madras, Lucknow, Nagpur, Patna, Hyderabad and Ambala. A beginning was made in April when a three-month training course in vocational guidance and employment counselling was attended by employment officers from various States in Delhi. The syllabus of the course consisted of lectures, group discussions, laboratory exercises and library work. The officers who attended the course were able to obtain some idea of the basic concepts and techniques of vocational guidance and the skill necessary for undertaking individual and group guidance work at the employment exchanges.

The importance of vocational guidance in the social order of many countries has long been recognized. In most advanced countries vocational guidance methods operate on the high-school level and are closely linked with the Ministry of Education. Thus in Denmark,

the Ministry of Economic Affairs and Labour in agreement with the Ministry of Education, distributes by law vocational guidance information material to school children. This material is intended to acquaint children with various careers open to them when they leave school, the conditions for entry, the training required and the prospects offered.

In Federal Germany, the law requires vocational guidance to take physical and mental traits, character, inclination and economic circumstances of the applicant into due account. Long before the pupil leaves school, guidance is prepared and facilitated in this respect by the school, where a "pupil's card" (sometimes a form provided by the employment office) or "personal record" is made out for each individual for about a year before he or she is due to leave school. In this way the teacher keeps a close record of each child showing achievements and aptitudes, such as, the kinds of gifts and special qualities which the child possesses, his preferences, speed, method of work, sociability, and so on. Interviews between the teacher and the counsellor, and sometimes, between the teacher, the counsellor and parents take place in order to ascertain the aptitudes of the child. Often the medical officer and the psychologist are called in to determine the physical and mental aptitudes of the child. Usually these specialists do not make any positive suggestions regarding a vocation, but merely refer to the physical and mental characteristics that should be kept in mind when the choice of occupation is made.

By these means, the experience obtained in the several years of school attendance, the observations of specialists and that of the parents, the child may be guided in the choice of an occupation with a reasonable degree of certainty. It must be noted that in some countries, initially, the child is not viewed from the standpoint of any particular trade or occupation, but merely to obtain a picture of him as a whole, to try to discover where his aptitudes lie and so to deduce the kind of occupation for which he is most suited. Very special importance is attached to the young person's own desire in the choice of an occupation. Preferences expressed by a boy or girl aged 13 to 14 years, are usually, not always, taken as very or highly problematical.

Besides the personal aptitude of the child, the guidance counsellor is expected to have due regard to the economic situation, and the manpower needs in various occupations. Moreover, in order that he may be able to give correct and useful information on the different occupations and their prospects, the vocational guidance counsellor must, himself, be fully acquainted with the characteristics and other requirements of the occupations in question, the significance of each in the economy of his immediate region, and also in wider regions, and the prospects of future demand for new workers. This is the very wide and comprehensive knowledge of the occupational field which modern vocational guidance science has tended to make its own, and which the vocational guidance counsellor is expected to possess.

This knowledge along with that furnished by the school record or 'pupil's card', the guidance counsellor uses in his interview with the young applicant. The interview which is the joint conversation with the young applicant and his parents is really the deciding stage in the process of vocational guidance. It is obvious that the greater the mutual confidence between the two parties, the better are the chances of right guidance, and the possibility of discovering the young person's real inclination and aptitude. The art of interviewing the young is an important qualification for the office of guidance counsellors. In some countries while the vocational guidance officer is attached to the employment exchanges his services are at the disposal of the schools to give lectures to pupils and even to interview them if the school so wishes. In Denmark, to facilitate the counsellor's work, the Ministry of Economic Affairs and Labour, in co-operation with the Ministry of Education, has drawn up standard questionnaires to be sent to the schools last attended by applicants for employment on whom information is required from the head teacher or school doctor. The information received is strictly confidential and may not be used for any other purpose than vocational guidance; it may, however, be seen by the child's parents.

In some countries various means are employed to convey to young persons occupational information, and build up the proper attitudes. During the ordinary process of education, some instruction in vocational ethics is used to instil into the young the right attitude towards work, trades and professions; in the course

of teaching some subjects reference is made to the different trades and their social functions, and the guidance counsellor helps the teacher by providing suitable material and by conducting his own occupational classes. Some of the other more important means are: evening meetings of parents arranged jointly with the schools; occupational exhibitions helped by local trade associations; visits to undertakings, both commercial and industrial for teachers and pupils sometimes conducted by the guidance counsellor; film shows; publications giving occupational information furnished to the schools by commercial and business houses, and the collection of articles from the Press and Radio news services.

While India is still developing her vocational guidance institution, it is to be hoped that this institution will be integrated with our educational system. The imperative need of such guidance for our high school children is easily recognized when it is remembered that many a student decides on an university career or takes up a profession merely because some other member of his family has done the same. A random investigation made among 220 first year university students in two colleges revealed that six out of every ten were following a science course because they did not know "what other course to follow!" The wastage of talent and the loss to the country involved in such conditions may more easily be imagined than described.

The need of proper vocational guidance becomes still more imperative when it is recalled that a large

percentage of those seeking employment still come from rural areas. They have their own outlook, attitudes and patterns of work. Now, it is a commonplace that in an underdeveloped country, cultural and social patterns of life and behaviour are important factors which, if neglected, may retard the progress of industrialisation. The very change from a predominantly agricultural economy to that of industry involves vast changes in the lives of the people, and there is no one who has watched the advance of industrialism in this country who has not been conscious of the social problems which are due, in large part, to the coming of industrialism.

Sociologically, this means a clash of cultures — a clash between the culture of our rural peoples with that of industrial life in our urban centres. In terms of the human factor, it means a revolutionary change in the habits and ways of life of the rural worker who comes to the city to seek his fortune as an industrial worker. The fact is that the basic patterns of behaviour and the attitudes built up under conditions of a rural economy do not fit the rural worker for the quasi-regimentation and team-work demanded of those who work in industrial establishments. Working for the most part alone and under conditions in which he is usually his own master, the rural worker does not easily fit into a plan of work which demands fixed hours and co-operative responsibility. In other words there are certain essential basic attitudes which the rural worker must possess before he can be shaped into an efficient industrial worker. It is not enough for him to know how to handle a file or operate a machine. And

this is the task of vocational guidance, no less than that of our Technical Training establishments.

With good reasons, therefore, Mr. Nehru, in his inaugural address to The National Council for Training in vocational Trades, emphasized the need of cultivating in the modern technical worker certain basic attitudes, without which there can be no social progress. After stressing the need of trained manpower, he went on to point out that "the higher techniques" and industrialisation itself, cannot be imposed on the people "from outside", and if such attainments are to serve any useful purpose in the country, "it has to grow in the country". In fact, it is a finding of sociological analysis that before any apparatus, or technical know-how, can yield the expected results, they must first be integrated into the material or cultural way of life of the people. It is during this period of integration, when the country is moving from one type of culture to another, that the most serious social problems arise, and on the solution of these problems depends, to a large extent, the all round progress in the country.

Continuing his address, Mr. Nehru pointed out the need of the spirit of co-operation. "We may become", he said, "able and technically trained and all that, as individuals and as groups. But how do we pull together?" Now, it needs no deep reflection to understand that co-operation is the law of progress. In fact, the advance of industrialism means a greater division of labour and unless this is operated in a spirit of co-operation the whole industrial machine will come to a standstill. In modern industrial society and in broad

terms, this co-operation is usually understood to mean harmony between management and labour which problem, unfortunately, is not really solved even in advanced industrial societies.

In an underdeveloped country the difficulties in the way of bringing about a spirit of co-operation in industrial society are extraordinarily great. In the first place there is the lack of industrial experience on the part of both management and labour. Each new industry in the country confronts both employers and workers with special and peculiar problems both in the technical field and in the field of human relations. Further, labour, for the most part still drawn from the rural areas must acquire both technical skill and those basic attitudes which are necessary for work in factories and workshops. It is a commonplace that the environmental changes no less than need of technical skills create problems in co-operation which the ordinary worker does not solve till he has had a long experience at his job.

Moreover, unless this spirit of co-operation thrives, there will continue to exist those "disruptive tendencies" which Mr. Nehru deplored, in the life of the country. In other words, co-operative labour and the spirit of social responsibility are closely interlocked. Unfortunately, neither the spirit of co-operation nor that of social responsibility is developed merely by training the workers in technical know-how, and it is to be regretted that the Courses as planned by the Training Centres while very useful for turning out fitters,

welders, machinemen and technicians do nothing to give the trainees any insight into the social problems and problems of human relations which they will meet with in industrial life. Moreover, it is open to question whether the time within which a trainee may acquire technical skill would be sufficient to build into him those social attitudes which must underpin his technical ability. Experience would seem to indicate that the best period for training in social attitudes is the last years in the high school. This may be operated by a Vocational Guidance Course.

C. C. Clump

We cannot afford to be oblivious of the fact that every year there is a net addition of 1.8 million to 2 million persons to the working force in the country on account of the continuous increase of population. It must be our common aim that the total effect of our policies is the creation of maximum employment in the country, accompanied by a steady rise in living standards. This will also inevitably mean for the workers and their children opportunities of a varied kind, at higher levels of skill.

Gurzarilal Nanda

Calculating Wages

The ordinary citizen who hears about wages, bonus, premium, etc. day after day might, quite sensibly, like to be enlightened about the precise meaning of such words and even be initiated into the mysterious calculations which fix money values. "Wages are the aggregate earnings of a given employee for a given period of time such as a day or week, and are equal to the product of hourly rate times by the number of hours or the product of piece rate times by the number of pieces, plus any premiums or bonuses earned" (1) They are called nominal if expressed in money, real if translated into goods or services.

A premium is that portion of earning expressed in some function of, or proportional to, wages saved above normal time wages ; namely, the surplus which is saved to the management by the workman who does a better or a quicker job than the average workman. A bonus is that portion of earning which, at some fixed point of efficiency, exceeds the earning arranged for a preceding point, or it is the measure of excess earning over the base wage and remains constant whilst the premium increases for higher efficiencies. The combined amount of constant bonus and variable premium are often designated as "incentive". (2) One should note other, non-financial, incentives, like promotion, training, records of performance, competitions,

(1) Cf. *Production Handbook* by L. P. Alford and J. R. Bangs, Pp. 1177.

(2) *Ibid.* p. 1181.

praise, honour, patriotism etc., which are outside the mere wage-system.

The various factors of wage-determination can be arranged in many ways to calculate the earnings. Nearly every arrangement had been tried in France and England long before the present plans were re-invented in the U. S. A. At the start they were largely guessed at or bargained for as standards of production. But in the U. S. A. the lead was given for a thorough analysis of time, movement, fatigue, attention, quantity and quality so as to get a job standardisation. Names, like Taylor, Halsey, Gantt, Rowan, Merrick, are familiar to experts, Halsey having drafted the first plan in 1890, five years before Taylor's. The general idea had already been insisted on by Belidor, a French military engineer (XVIIIth century), who used to say that "ten working hours of a man who has his interest as foreman is worth at least fifteen of others who have their day well regulated. Pressing these further means to vex them and to get them sick and ready to leave" (3).

In order to make matters accessible to the general reader, we are precluded from entering into technicalities, and remain satisfied with a few fundamentals, even if these necessitate a little algebra which, it is hoped, will not rebutt anybody. The needed glossary is short. S represents the actual wages, s the guaranteed minimum wage. T is the time allotted, t the time actually taken. N represents the production or number

(3) Alain, *Le travail ouvrier*. p. 106.

of pieces expected, n the production or number of pieces actually attained ; p expresses the piece-rate.

Thus we have that S , the real wage paid according to time, is st ; when paid on a piece-rate basis, it is np . At times, and this was proposed by Taylor, wages are paid on a minimum production to be reached ; if the actual production, n , is below the expected production, N , the salary $S=np$; if it is above N , then $S=k.np$, where k is a coefficient which is arbitrary or bargained for and usually ranges between 1.20 and 1.40. Such a system urges the good workmen to put in as much work as possible, and discourages the mediocre workers. On the other hand, the system easily urges good workers to overdo it, to tire themselves beyond endurance and provokes unhealthy strain. As a consequence, it was strongly opposed by trade-unions and abandoned in most places.

Halsey Salary

Halsey suggested a new formula. The difference between the expected time, T , for a given basic production, and the time actually taken, t , if it is shorter than T , would be shared between the factory and the workman according to a coefficient k varying between 0 and 1. In other words, if the production rose above the norm, the value of the increment would be shared between the workman and the management, the salary being calculated by the formula, $S=st \left(1+k \cdot \frac{T-t}{t} \right)$ Where the worker's production takes an abnormally longer time, the basic salary would still be paid.

When wages are paid on a piece-rate basis, the formula is $S = st \left(1 + k \left(\frac{n-N}{n} \right) \right)$. The Halsey system is easy of application and readily understood by labour, but labour does not so readily admit that the profit above a given level of production should be shared with the employer; this profit, they argue, is due only to the personal effort of the worker and should all go to him. On the other hand, the incentive value of the Halsey system is rather low. It is mostly adopted when production is not regular, because of its very nature; or when the times, T or t , are not calculated with precision. Even a fair increase in production would not raise Halsey salaries much above the wages given in other departments and provoke claims in those other departments: a great advantage in the eyes of managers.

Gantt System

The Gantt salary is better known and applied more generally. It is a combination of time rate and of high piece rate. When the fixed minimum production has not been reached, the earning is the basic wage. When the minimum production has been reached or exceeded, the earnings are ks , where k is a coefficient generally ranging from 1.1 to 1.3.

The incentive value of the Gantt system is most apparent up to the minimum production, since production refers not only to the number of pieces but also to their quality, and it is detrimental to employee and employer to have products damaged in hurried labour.

Other Systems

It will be noted that in the Halsey system, workers' earnings vary proportionally less than output. In the same class may be ranged the Bedaux system and the Barth Variable Sharing system.

In contrast, with some systems earnings vary proportionally more than output like the High Piece-rate and Standard Hour systems f.i., when there is a one and one-third per cent increase in earnings for each one per cent of increase in production or when earnings are more than ten times the time rate for that task completed in eight hours if ten hours is the normal time required.

Finally other systems give earnings varying in proportions which differ at different levels of output. Of this type is the Gantt task system, which provides a wage increase of 20 per cent of the time-wage if the worker reaches tasks or output set at a high level. In the same class one may range the Taylor and the Merric Differential Piece-rate system, the Emerson Empiric or Efficiency System and others.

Besides the above systems of providing incentives to individual workmen, some productions or processes do not permit of calculating the task of each worker separately. Then the total earnings of the group are calculated; if all are of equal skill, the earnings are equally divided; if they are not equal, f.i., if skilled and unskilled men are together, the unskilled will receive their time-rates and the skilled ones will pocket the remainder of the total earnings. Various are the

ways of unequal division, as also various are the ways of distributing earnings among the employees of a department or of a plant.⁽⁴⁾

Comparing Wage Systems

The most commonly used systems are the Halsey, the Rowan, the Barth Variable Sharing, the Bedaux and the piece-work systems. For rates of output, earnings are greatest with the piece-work system, followed by the Bedaux, the Halsey (50-50 sharing), the Barth and Rowan systems, though this descending order is not quite uniform, as noted in the I. L. O.'s "Payment by Results".

Which System to Choose?

For a long time, labour opposition to any system of payment by results has been systematic, and it took the obvious needs of the after-war reconstruction to break down that opposition in France and Great Britain. In 1910, the British Trade-Unions advanced three main objections: such systems are not fair and uniform; they spoil the wage policy; they demoralise labour. Their objections were not due to a fear of unemployment, but rather to past experiments which had to be corrected as they had left the worst possible impression on workers who are but too ready to suspect any

(4) A clear summary of the systems of payment is to be found in "Payment by Results" published by the International Labour Office, Geneva, 1954. May also be consulted L. P. Alford and J. R. Bangs's *Production Book*, L. M. Alain's *Le travail ouvrier*, P. S. Florence's *Labour*, J. Dunlop's *Wage Determination Under Trade-Unions*, Fr. S. Doody's *Readings in economics*.

change introduced by the management. At present, opposition has disappeared, though not suspicion. L. M. Alain tells of a striking case. In a factory of Pharmaceutical products, the women workers had resolved to limit their output at 500 boxes ; if ever by miscalculation they produced a larger number. they took the surplus home and brought it back the next day. The boss was not going to cheat them !

When introducing a system of payment by results or any change, the management should take certain steps : first, secure the consent of the Trade-Union delegates and the Labour Management so as to obtain what Glen Miller calls a suitable "antagonistic co-operation" which is necessary for the common good ; next, give a formal guarantee that, whatever be the premium, the rates will not be diminished ; finally, call workers to check the measurements and rates calculated to establish the system. (In the U.S.A. Trade-Unions have their own experts to check the management's measurements and calculations).

Indian Conditions

In India, systems of payment by results are applied in various degrees only in certain industries : textile, mining, iron and steel, metal, and occasionally in the building and clothing industries. In June 1950, over 200,000 workers or 44.9 per cent of the cotton textile labour force, 33.4 per cent in the silk industry, and 31.0 per cent in the woollen industry enjoyed such systems. The Tata Iron and Steel Company, Ltd,

operates a plant-wide scheme which applies to all production, maintenance and service workers in the plant, and also various schemes which are peculiar to the different departments. "The Company has stressed that the workers' capacity to earn more depends mainly on their own productivity, but that in comparison with steel workers elsewhere, the labour force at Jamshedpur is about three times what it should be; allowing for the greater mechanisation of similar plants abroad and for climatic and other factors, there is, in the Company's view, obvious scope for a considerable reduction in man-power and for a corresponding increase in the workers' earning capacity without causing any undue strain on them" (*Payment by Results*: I. L. O. p. 103).

It was also noted that, in Tisco's steelworks during the pre-incentive period (March to Sept. 1949), the output per man ranged from 1.69 to 1.75 tons, whilst during the incentive-period, it rose to 1.9 tons by November 1949 and reached 2.15 tons in December 1950. So after all, our labourers aren't so dumb!

Conclusion.

The meeting of experts, held at the I. L. O. Geneva headquarters, unanimously concluded that the general welfare "can be achieved only where systems of payment by results are developed and applied with the agreement of the workers and in an atmosphere of good industrial relations. It is also necessary that the system should be adapted to the conditions peculiar

to each industry and country concerned and that they should include definite safeguards designed to protect the interests of the workers."

Quite a task for you, my masters, who have taken up industrial welfare as your favourite field of social work.

A. Lahuri

Documentation

THE ROLE OF CREDIT AND INSURANCE IN BUSINESS

(Extracts from various Encyclicals of Pope Pius XII.)

The role of the People's Banks

The idea launched by Raiffeisen and Schulz-Delitzsch, with the passing of time, ought to reveal all its possibilities. Does it not, in fact, call upon an essential postulate of all social life, namely, the free collaboration of individuals in order to reach a goal of common interest? To escape the clutches of usurers who, even today, have not given up their tactics, interested persons were invited to group themselves, and lend each other financial help, on the basis of mutual confidence between the associates.

They secure the best interests of small savings

Faithful to their chief function, the People's Banks have been the destined instruments to collect savings and to assure their best utilisation, at the very place of collection, for the general profits of those who save. They are, thus, appreciated by a great number of people of modest means whose enterprises they support, by credit given with discretion, while, at the same time, guarding their capital from too serious risks. The monies which they dispose of, are, in fact, both the

means of existence and of indispensable labour to the associates. This money has been acquired by hard labour, and may not be used in risky, yet attractive, operations. It follows, therefore, that it should be used especially to consolidate the welfare of people upon whom, for the most part, rests the stability of social institutions and the moral value of the nation, and, who, at all times, have shown their fidelity to the country, the family and their religious faith.

Duties of administrators and of associates

Hence, it follows, that the duties of these banks cannot be too strongly stressed. Administrators must remember, that before all else, they are the managers of the common possessions of the associates. In this case, it is the good of all which must come first and go before all other considerations, such as, the ambition to obtain a brilliant financial success, or to arrogate to oneself, in the general economy of the country, a place of distinction. A healthy management in Credit Institutions must, above all, scrupulously respect all established rules which treat of legal provisions, the statutes particular to banks or the lessons learnt by experience.

As for the associates, a high moral and civic sense will keep them from seeking their own interests alone, while they move forward along the road towards a loyal and generous collaboration. They should put to good use the credit granted them, thus, justifying the confidence placed in them. The fruit of their labour will, then, become for the Bank both a means of further expansion and of making new progress.

Educative value of these Banks

Thanks to the principles they follow, these Banks exercise, moreover, an educative action of the highest importance. Do they not bring into evidence how the habit of thrift, and the proper restraint of consumption condition the movement of economic expansion? Instead of yielding to a desire of ease

and egotism, which is unconcerned about the future, in order to enjoy unhampered the present, the individual learns to plan his life in a thoughtful manner, in view of the solidarity which unites him to the members of the social community to which he belongs. In the choice of investments which these Banks operate, an important criterion should be consideration not only of technical, but also of moral capacity, and the spirit of enterprise and sacrifice of those to whom money is lent. Reciprocally, the agriculturalist and the industrialist certain to find the necessary financial backing for their activity, will draw from this conviction an overflow of energy and enterprise.

People's Banks and welfare services

The Welfare services, among other characteristics of these Banks, must be emphasized. Such services are of public utility, and generally help, in one way or the other, the economic and cultural development of the regions in which they are established. It seems to Us that by contributing a large part of their profits to educative activities which offer no perspective of immediate gain, but which aim, above all, at raising the intellectual and spiritual level of the people, your Banks realize, in an eminent manner, the purpose for which they have been founded. They, thus, confer a new dimension on the whole economy which, far from being an end in itself, must remain subordinated to a higher finality, namely, that of the human soul and the transcendental values of the human spirit.

(To members of the Eight International Congress of Peoples' Credit, July 1, 1956)

The importance of Insurance Institutions in modern economy

From recent disasters come, yet again, an illustration of the importance of Insurance, under various forms, in modern

economy. Commercial advantages and, especially that of maritime transport during the age of the sailing-ship, so full of risks, were the first to profit from the operation of institutions destined to reduce the cost of these risks. Despite the calculations of probabilities made by Pascal, and the mortality-tables constructed by the astronomer Halley, it was only towards the end of the 18th century that Insurance Firms thought of using these findings. Today insurance operations have grown to such a size, that all States have had to take strict and clear measures to control private insurance companies, in order to protect their citizens from possible errors and faults of insurance administrations. Persons interested in investing their savings in a contract to assure the needs of their old age, or that of their families, are not always capable of verifying, by themselves, the value of the guarantees offered them. Hence, this control, on the one hand, to encourage a truly praiseworthy desire to provide against family wants and social solidarity, and, on the other, to offer the maximum protection against the weakness of those who administer insurance policies.

The technique of Insurance Companies

The technique of Insurance Companies involves complicated problems of the actuarial science, the elements of which vary according to the evolution of social and economic conditions. Thus it is, that We find in your programme reports on contracts for the reduction of premiums on life insurance, and on the combination of life insurance with a lottery. You note that the life insurance contracts are more easily concluded when you have to deal with groups of persons, as for example, the members of a society or of an organisation, rather than when you deal with individual persons. While, on their side, the numerous associations do their best to obtain for their members financial advantages, such as a reduction of the premium. There is no doubt that, by seeing the practices carried out in various countries, you happily enrich your knowledge of

this subject. The other question, namely, the possibility of combining life insurance with a lottery, calls in question the very principle of insurance itself. You, rightly, ask yourself if such a procedure would not threaten the chief aim, namely, the foresight in favour of the aged and their dependants of life insurance.

The psychological factor in insurance

It belongs to man, so to order his life that he may be able to cope with circumstances of unexpected difficulties. Then, it is not only the material prosperity of the individual which is in question, but also the psychological reaction of his activity. In order to launch, with confidence, into favourable operations, but which do not exclude risks, man must be certain that he alone does not bear the consequences of possible failure, while his success will benefit the whole community. The normal progress of society, its harmony and prosperity, demand that this law of compensation be applied as rationally as is possible.

Interior stability comes from God alone

However legitimate may be the anxiety to secure the future, it is clear that, it is impossible to organize so perfect a system of foresight so that the results of accidents which befall man may be wiped out. Even if man were able to place his money-capital in relative security, he would never succeed in driving away from his soul, anxiety, sadness and the trials of the moral and emotional order. But, man, however, is even anxious to protect himself from that very personal sorrow, sometimes, so cruel, as when afflicted with the loss of a dear one and finally, he even seeks to free himself from unescapable death itself! But against all this there is no material protection. It is in the sphere of the spiritual, and beyond the perspective of the purely temporal that he must seek for the true remedy.

(To members of the Third International Conference of the Control Services of private insurance companies, Oct. 4, 1956)

Social Trends

The (West-) European Community

In Rome on the 25th, March 1957, were signed two treaties which by one of their authors were called the 'first step' towards a more complete integration of the (West-) European Community. The first has become known under the name of the *Common Market Treaty* that constitutes the European Economic Community consisting of West-Germany, Belgium, France, Italy Luxemburg, The Netherlands, with a total population of 160 millions into an integrated whole so far as their economic activity is concerned. The second, called the *Euratom*, makes provisions for a common pool of nuclear energy. The treaties will become operative from Jan. 1st, 1958, if the parliaments of the respective countries ratify the decisions of their representatives. The parliament of West Germany has already done so. The membership has been left open to other countries and it is reported that both Spain and Portugal are likely to join the pact.

Both these treaties are the outcome of intense diplomatic activity, starting from the Messina Conference on June 1st and 2nd, 1955 when the ministers of Foreign Affairs of the six countries adopted a resolution stating that the time had come to establish a unified Europe by the development of common institutions, by a progressive fusion of the national economies, the creation of a common market and a common social policy. An inter-governmental committee was established under the chairmanship of Mr. Spaak in order to

work out the decisions. The sessions were held at Brussels and a final report was submitted to the different governments in April, 1956. One month later, in May, 1956, the foreign ministers convened at the Conference of Venice, in order to accept the report and to make in case of necessity a few secondary amendments and additions. This then led to the final draft of the treaties, which were drawn up after a long session between experts, heads of delegations and foreign ministers at Brussels from June 26th, 1956 till March 10th, 1957.

France

The role of France during the Venice Conference came as a surprise. Mr. Pineau made the acceptance of the Common Market Treaty conditional on a variety of stipulations: the equalization of social conditions (salaries, holidays, etc.) ; stress on the protection of agriculture and especially the inclusion of the overseas countries in the European Economic Community; finally, the possibility of other countries joining the pact. This last condition has been interpreted as an underhand invitation to England whose partnership France is said to be desirous of with a certain nostalgia.

Common Market Treaty

The main objective of the Common Market Treaty seems to be the free circulation of products and, as a consequence of this, an equally free circulation of labour, capital and services. In order to achieve this purpose, the treaty includes a gradual suppression of the customs duties between the six countries in three stages: the first of 4 to 7 years duration; the second

and third of 4 years duration each. This means that the Common Market will be achieved within a period of 12 to 15 years. As regards the customs duties : import customs will be reduced by 10% on Jan. 1st 1958, and by 25% at the end of the first period. A common commercial policy has to be drawn up in relation to the other countries and a common social legislation within the Economic Community. Strict rules are also to be set up to secure honest competition in the sphere of business and production.

Euratom

As regards the Euratom, the six countries intend to put up a common centre for nuclear research with a considerable budget ; an equally common agency for the supply of fissionable matter ; common factories, common laboratories and a European university for atomic science ; all this however according to the needs and the financial, economical and technical possibilities. To France alone has been granted the military use of atomic energy. This was one of the conditions put forward by M. Pineau at the Conference of Venice.

Administration

The administration has been planned as follows :

1. A Council of Ministers of Economic Affairs of the different countries, responsible to their respective national parliaments, (and not to the European Assembly).
2. The European Commission (9 members) : not an executive but a consultative body to the Council of Ministers.

3. The Court of Justice, in common with the European Coal and Steel Community.
4. The Parliamentary Assembly, also in common with the ECSC. (142 members chosen from among the national parliaments.)

Institutions

A few other institutions have been set up :

1. The European Bank of Investment : One thousand million dollars for European projects ; transformation of enterprises and their adaptation to the changing economic conditions and requirements ; equipment of the underdeveloped regions of the Community. (S. Italy).
2. A Social Fund : in case of conflicts arising from the new set-up and in spite of social legislation, this fund will be used to smooth away the difficulties of the transition period. It will bear 50% of the costs for the re-adaptation of the unemployed workers.
3. Association of the Overseas Territories : 581 million dollars will be sunk in an annuity during the first stage for social and economic projects in those countries (in addition to the ordinary budget of colonial affairs).

Evaluation

It has been pointed out that the Common Market Treaty has a clearly neo-liberal character (free circulation of labour, products, capital and transport). It cannot be denied however that it has been inspired by

a high social motive: the desire for a common social legislation tending to equalise the social status of all the members of the European Community at the highest standard of living prevailing today. On the other hand there is another motive compelling the Europeans to unite their forces. "The present world", writes B. Fournier in *Etudes*, March 1957 p. 387, "belongs to the large spaces: the U. S. A. and the Soviet Union. In between the two lies Europe divided, split up, a zone of depression. If Europe wishes to survive and find back its economic and political independence, there seems to be only one way out; to unite itself, without losing anything of what constitutes its inherent richness; its personality, made up both of great diversity and a common Christian heritage."

J. B.

BOOK REVIEWS

SARDAR PANIKKAR AND CHRISTIAN MISSIONS
by Fr. Jerome D'Souza S.J., published by Rev. Fr.
R. Doraiswami S.J., St. Mary's, Dindigul, 1957,
pp. 146, price Re. 1.

This book is a rejoinder to Sardar Panikkar's 'Asia and Western Dominance' which appeared some four years ago and aroused controversy over the aims and methods of missionary effort in Asia. As an Asian and an Indian, who has taken his share in shaping the Constitution of the country and representing it abroad at the U. N., Fr. D'Souza welcomes the independence of his country and the awakening of Asia. But while he shares with Panikkar a detestation for Western exploitation and injustice towards the Asian countries, he deplores the unauthorised and slashing generalisations of the Sardar when the latter tends to identify the expansionist aims of the European nationalities with Christian influence and characterises missionary effort as one more subtle instrument for the subjugation of Asia by the West. Panikkar's thesis is not a new one; it has been put forward by lesser publicists in India several years ago. But coming from Panikkar, who is held to be an impartial historian and has a world wide audience, the accusation has called for a clarification of this sadly misunderstood issue of missionary endeavour.

Fr. D'Souza's book is confined to refuting Panikkar's thesis regarding missionary activity. He first tries to analyse the reason for this deep seated pre-

judice in the mind of so well-read and sincere a man as the Sardar. He traces it to the hostile anti-Western climate in which Panikkar has been recently living, especially as Indian ambassador in Peking, to the many false sources he has consulted to boost his arguments, and to the disunity in Christianity itself, which has provided him with the best criticism of Catholic and Protestant missionary effort. He then explains the theological reasons for missionary effort and clearly distinguishes the essential Christian faith from its accidental veneer of European culture. He draws attention to the really humanitarian efforts of the missionaries and the cathartic influence of Christian ideas on the social fabric of Indian society.

This book makes interesting and enlightening reading. It is a calm, impartial and fair-minded diagnosis of a situation that has roused passion and prejudice in many Eastern minds. It throws much light on the real facts of the case, which have been sadly neglected not only by lesser historians but by great minds like that of Sardar Panikkar.

A. F.

FUNDAMENTALS OF SOCIOLOGY by P. Gisbert,
Orient Longmans, 1957, Price Rs. 8, pp. 408.

This is a text-book for the Indian student of Sociology. It is well written and comprehensive. There is a wealth of quotation and references to classical sources and the most recent books on the subject that have been published abroad. One significant advantage of the work is the constant and careful introduction of Indian social material. This is difficult to find in books

written outside India and therefore makes the book of inestimable value to the Indian student, and contributes the main element of originality in the work.

But there is another element throughout the book that might cause some controversy. This is the author's philosophical perspective that leads to a very balanced evaluation of the various elements that form the material object of Sociology. The general tendency in books on Sociology is to regard and interpret social events and processes from a highly materialistic standpoint. The author's outlook is definitely spiritualist and this is as it should be and far more in accordance with the actual evolution of social forces.

A questioning attitude might still be adopted with regard to the methodology in writing books on Sociology. In treating of economic or state activity must the text book on Sociology be mainly descriptive of present trends or function as a mirror of comparative social change or social evolution? Recent books on Sociology seem to be rather descriptive than comparative and the author follows the prevailing fashion in the writing of his text. But this does not detract from the several good qualities of the book. It still remains one of the best text-books the Indian student and the general reader on Sociology with special reference to India can find on the market.

A. F.

"TRUTH SHALL PREVAIL" Reply to the Niyogi Committee. Pp. 276. Catholic Association of Bombay, 5 Convent Street, Bombay-1. Price: Rs. 2.50.

This reply to the notorious committee set up in Madhya Pradesh to find out what was wrong with missionary work among the tribals was prepared by a committee of educationists: A. Soares, G. X. Francis, W. Coelho, M. Ruthnaswamy, M. F. Colaco, M. Arokiaswamy, G. D. Pinto and M. Hermanns. They take up in turn and refute the Niyogi Committee's accusations and aspersions on various points. Conversions, background and sources of the Niyogi Report, political attitude, education, culture, social welfare, tribal institutions.

The work is a scholarly and thorough study of the various points and the style bears no trace of controversial acrimony. It is highly recommended to readers who want to approach the problem with unprejudiced minds. The attention of sociologists is called to the chapter of Fr. M. Hermanns, the Viennese anthropologist, who compares and contrasts Hindu and tribal societies, and has expanded his study in a separate booklet "Hinduism and Tribal Culture" (available at K. L. Fernandes, Bandra, Bombay 20).

A. Lahuri

HISTOIRE DU MOUVEMENT MUTUALISTE CHRETIEN EN BELGIQUE. By R. Rezsahazy. Paris, Erasme, 1956.

The present book was written on the occasion of the golden jubilee of the Christian Mutual Aid societies

in Belgium. The first were survivals of the corporatist system so flourishing under the pre-Revolution regime; they were copied right and left and build on a professional base which in course of time had to be broadened and born of private initiative always suspicious of any state interference, which down the years became necessary, particularly in after-war periods.

Even under the most recent legislation centred on obligatory insurance and social security, those Mutual Aid Societies like the trade-unions are not prepared to abdicate their liberty to the state and even volunteer to become the organs of social security. State aid is welcome, but freedom and autonomy must be maintained at all costs. This policy of subsidised liberty explains the pluralist character of the Belgian social organisations which, owing to historical reasons, have usually a denominational or political outlook. Mutual Aid societies are profitless associations which through periodical fees secure aid to their members, particularly against eventual risks and reverses: old age, sickness, fire, death, etc. They are federated on a regional and a national basis.

The author retails all the incidents of the growth of the Christian Mutual Aid Societies from the time they were organised under the National Alliance, which numbered 90,896 members in 1906 and reached a total of 403,169 active members with not less than 1,248,869 participating members in 1956 out of a population of some nine millions. A fair evidence which added to the trade-unions, co-operatives and other multiple social organisations bear witness to what free initiative can achieve.

A. Lahuri

Social Survey

Housing

Government has announced its decision to set up Housing Corporations in the States and a separate Department of Housing at the Centre. The Central office will be in charge of a Housing Commissioner who will be assisted by an adequate technical, administrative and financial staff. His task will be to see that schemes are expeditiously and efficiently carried out. State Governments will be urged to set up similar departments without delay.

It is expected that nearly Rs. 1,000 crores will be spent by the end of the Second Plan period. The Corporations will channel into housing schemes funds drawn from the private sector — banks, investment companies and other financial institutions — as well as funds from the Life Insurance Corporation, provident funds, etc. The Governments also will be asked to subsidize low-income group housing by allowing construction on Government land.

It is proposed to reconstruct houses in 500 villages during the current year, 1,500 in 1958-59, 3,000 in 1959-60 and 5,000 in the last year of the Second Plan.

Other features of the programme are : long-term interest bearing loans, repayable in annual instalments over a period of 20 years. The amount of the loan will not exceed 50 per cent of the cost of construction subject to a maximum of Rs. 1,500. The village house-holder will be required to contribute the other half.

At present the scheme will be confined to N.E.S. and Community Development blocks, with preference given to flood-affected areas.

Communists

The doings of Communists in various parts of the country seem to be having some influence on Congress party leadership. Sriman Narayan, the General Secretary of the Congress, after a tour of Kerala bluntly accused the Reds of spreading lawlessness in the State and undermining security and order. It is reported that certain remarks made by the Union President on Independence Day in Trivandrum this year have embarrassed the Party. The President not only commended the activities of the Communist Government but hoped that other States would try this experiment of co-existence between the Centre and State. Efforts are now made to show that the President did not mean what the words seem to convey at first sight. In the Lok Sabha the Finance Minister, Mr. T. T. Krishnamachari, in a hard hitting speech told the Communists that they were out to cause disorder and sabotage the Five Year Plan. The Home Minister too was quite plain in accusing the Communists for at least encouraging the recent threatened strike of Government employees. In a debate on Government's labour policy the Deputy Minister for Labour, Mr. Abid Ali, confounded the Reds by recalling some very unsavoury historical facts. The Kerala Education Bill has opened the eyes of a great many people. Unfortunately there are many in the country who are still blind. Among these there are a good many so called intellectuals who are only too eager to lend their support to the Comrades.

The new political party set up recently in Kashmir by a former member of the Kashmir Cabinet has received the blessing of the Communist Party of India. Mr. A. K. Gopalan went out of his way to pledge the support of the C.P.I. even before the new party was formally inaugurated. With the coming into power of Dr. Singh in Nepal the Communists there seem to have gone into hibernation. Straws in the wind!

Opposition Party

There is again talk of setting up a strong opposition party for the better working of democracy in India. All are agreed that a well organised party in opposition to the party in power is of prime importance if the democratic form of government we are wedded to is to be preserved and to grow. Rajaji, Jayaprakash Narayan and Minoo Masani have spoken recently both on the need and the urgency of it but no one seems to know how to go about it. Meanwhile the criticism levelled against the Congress only serves the purpose of making people more and more dissatisfied with the Governments, both Central and State. As the existing political parties in India, with the exception of the Communist Party of India, are languishing for lack of real dynamic leadership and a clear philosophy the Communists are making steady and rapid progress. A real opposition is taking shape and soon will be in a position to challenge effectively the ruling party. But unfortunately since the rising power does not believe in democracy it will serve not the purpose of preserving and expanding the democratic process but of eradicating it once and for all.

Insurance

The business transacted by the Life Insurance Corporation in 1956 dropped to Rs. 187.69 crores as against Rs. 238.30 crores in 1955 and Rs. 236.34 crores in 1954. Various reasons have been given for this disastrous drop in the year of nationalisation, such as the disorganisation caused by nationalisation, inadequacy of trained technical staff and so on. The figures for the first six months of 1957 show, however, that business is slowly picking up.

Independent observers, however, attribute other reasons for the sorry state. Government seems to have no clear policy. As pointed out by field workers and employees in Calcutta, the agents who used to secure a substantial portion of the business have been hard hit by various actions of the Corpora-

tion which have curtailed their emoluments and placed other restrictions. But as long as there are citizens to be taxed Government can venture on new fields for trying out nationalisation.

Agricultural Production

If figures given by Government of agricultural production in the country are to be relied upon, even with a generous deduction of ten per cent for error, the country seems to be well on the way to self-sufficiency. But the question is whether the figures are reliable. The prices of food stuffs have steadily risen during the past twelve months. Our imports have increased substantially. In spite of the assurances given by the Government spokesmen of plenty the prices do not show any sign of coming down. It is to the credit of the Government that prices have not gone up as high as some pessimists had expected.

More and more of our river valley projects are being put into commission and water is being made available for cultivation. But full use is not yet made of the facilities and hence the advantages derived are far below expectation. Both at the Centre and in the States there is an awareness that more attention must be paid to agriculture if the country is to make real progress. Funds which could have been utilised for other useful purposes are now diverted to purchasing of food stuffs from foreign countries thus depriving the country of much needed foreign exchange.

American Aid

Between 1947-57 American aid to India amounted to Rs. 476 crores, "by far the largest contribution to India's economic development under the Five Year Plan." The aid includes both private and public assistance in loans and grants. Nearly Rs. 190 crores have come through the United States Technical Co-operation Mission since 1952. The remainder has

come through other Governmental grants, loans in commodities, in voluntary contributions by private American organisations, and in assistance made available through Foundations.

(*Eastern Economist*)

Advertisements

The Government of India spent during 1956-57 the huge sum of Rs. 3,100,027 on advertisements to various newspapers in the country.

Macaroni

The Central Food Technological Research Institute, Mysore, has found a way of processing tapioca, the staple food of people in Kerala, into the form of a nutritious macaroni-like product. This tapioca macaroni is a balanced food and nutritionally superior to rice. The product contains 60 per cent tapioca, 25 per cent wheat suji and 15 per cent groundnut flour. It has 10 per cent protein content and is rich in vitamin B and minerals. It seems it takes only 10 minutes to cook and is easily digestible. Besides cutting down imports of food-stuff into the State it will also be a cheaper and more nutritious food. It sells at 20 naye paise per pound.

The Communist Government of Kerala is reported to be doing its best to popularise macaroni. Another country where macaroni is very popular is Italy, which incidentally has the largest Communist party outside Russia. It would be interesting to find out what connection macaroni has to Communism!

The First Plan

The "Review of the First Five Year Plan" recently published brings out clearly the great progress made in various fields by planned economy. The First Plan was only an initial step. Even so it has succeeded in rousing the interest of the people in the progress of the country.

The First Five Year Plan, as finally formulated in 1952, proposed a total outlay of Rs. 2,069 crores but had to be raised later to Rs. 2,378 crores. How much has been spent on the Plan is not known yet. Nearly Rs. 1500 crores were spent by 1954-55.

During the First Plan period the national income increased by about 17.5 per cent. The per capita income over the Plan period recorded an increase of 10.5 per cent.

Agricultural production showed distinct improvement. The output of food grains in 1955-56 at 64.8 million tons was nearly 11 million tons above the production level of 1949-50, which was the base year for this purpose. The output of other agricultural commodities also showed marked improvement. The index of agricultural production (1949-50 — 100) rose from 95.6 in 1950-51 to 114.3 in 1953-54, and 116.4 in 1954-55. In 1955-56 there was a slight decline. Altogether the index of agricultural production by the end of Plan period was about 19 per cent higher than in the year preceding the Plan. Agricultural production was not uniform in all the States. While in some there was marked progress in others, however, there was real decline. All the progress could not however be attributed to the Plan as during the Plan period, rainfall being good and other factors favourable, there were bumper crops year after year.

Various measures were adopted to improve food production. Chief among these are financial aid to States to start irrigation projects, land reclamation on a vast scale, providing irrigation facilities through canals and tubewells, supply of fertilizers and improved seeds.

Much progress has been also made in ancillary industries such as dairying, fruit growing and animal husbandry.

Rs. 569 crores or 29% of the total outlay of the Plan was spent on irrigation and power projects. From major and minor irrigation projects water is available for 6.3 million acres. Some 4 million acres are actually being irrigated. The output of power has gone up from 2.3 million Kws to 3.4 million Kws. Most of the power projects will be fully commissioned only during the Second Plan period. Facilities available for irrigation, however, are not yet fully utilised thus wasting a lot of national wealth.

One of the most significant achievements of the First Plan is the Community and N.E.S. block project for the improvement of rural areas. 140,000 village situated in 988 development blocks, comprising a population of 77.5 million persons have been brought under the scheme. Only about Rs. 46 crores out of the Rs. 90 crores allotted for the Community Projects and N.E.S. blocks were spent. There was lack of enthusiasm in certain quarters to make the scheme a success. Dearth of properly trained personnel also affected the progress adversely.

During the Plan period industrial production made substantial progress. The production of capital goods increased by about 70 per cent. The production of intermediate goods, mainly industrial raw materials, increased by about 34 per cent. The overall increase of industrial production was about 38 per cent.

Production of mill-made cloth increased from 3,718 million yards in 1950-51 to 5,102 million yards in 1955-56. During the same period cement production increased from 2.7 million tons to 4.6 million tons. Several new products like typewriters, alternators, penicillin, etc., were manufactured for the first time in the country. A number of smaller industries e.g., bicycle manufacturing, plastics, chemicals, etc., showed remarkable increase in production. (*Economic Review*).

The Second Plan is making satisfactory progress in spite of the financial difficulties it has run into. Some sort of pruning might have to be done but the main projects will be successfully completed.

F. C. R.

Industrial Labour

The Government of India proposes to amend the Industrial Disputes (Central) Rules to eliminate delays and thus expedite the settlement of labour disputes at the adjudication stage. Experience has shown that delays occur generally not at the conciliation stage, which is the first step in the process of settlement of industrial disputes, but at the stage of adjudication which follows when conciliation fails. While the main cause of the delays in the industrial tribunals and courts is procedural, the frequent requests for adjournment by the parties to a dispute have also contributed largely to the delays. The draft amendments drawn up by the Union Ministry of Labour and Employment provide that the Labour Court or Tribunal should not ordinarily grant an adjournment for a period exceeding a week at a time and not more than three adjournments in all at the instance of any one of the parties to the dispute. Also hearing of appeals should be normally continued from day to day and arguments should follow immediately after the closing of evidence.

To eliminate procedural delays, the amending rules provide that when the Central Government refers any industrial dispute for adjudication to a Labour Court or Tribunal, it should send the copy of the statement of demands to the opposite party concerned in the dispute. Within two weeks of the receipt of the statement of demands, the opposite party should file its rejoinder with the Labour Court or the Tribunal and at the same time forward a copy to the other party.

Moreover the conciliation officer will not only have to be merely informed about the dispute, but also be presented with a statement of demands.

National Productivity Council

A National Productivity Council is soon to be set up with the purpose of achieving increased production by improved techniques, proper utilisation of various resources, raising the standard of living of the people and improving the working conditions of labour. Already in Bombay there is a productivity centre functioning in co-operation with the I.L.O. This centre will become the executive arm of the National Productivity Council. National organisations of employers and workers and Government employees will be represented on the Council in equal proportion. Representatives of associations of technicians, professional consultants, research workers, as well as other interests like small industries will be co-opted on the Council.

Strikes

The country has been suffering from a spate of strikes in recent months. The Post and Telegraph Workers threatened to stop work last August and the strike was broken by the announcement of a Government ordinance that the Post and Telegraphs were essential services. Though the Ordinance was never signed by the President, the threat was sufficient to send the employees back to work. But, as far as can be gauged from the demands put forward by the various unions, the causes of the strike were mainly economic. There was a general complaint that prices were rising and that wages should therefore keep in step with prices. The workers maintained that during the first five year plan they had loyally co-operated to make the plan a success and had not asked for a rise in wages. But it was now time for them to share in the prosperity brought about by the plan.

During the month of September, municipal and hospital workers in Bombay and bankmen in Calcutta have been on strike. Increased wages are the essential demand. The Municipal workers in Bombay wanted 50% of the dearness

allowance to be merged with their basic pay. They have succeeded in getting what they wanted and the strike was called off. Nothing so far has been decided about the hospital workers or the bankmen.

Gramdan

There is every likelihood of the closer co-operation between the Gramdan movement of Acharya Vinoba Bhave and the Community Project Development schemes. In so far as it is essentially non-violent and voluntary, the Gramdan movement fits naturally into the traditional social and religious outlook of the Indian peasant. It has been fairly successful in some parts of South India and the Government is beginning to take a greater interest in the scheme. The Community Projects have not perhaps tackled the peasant from the right angle and though much money has been spent, a large proportion of it has been wasted. Gramdan does provide the typically Indian traditional outlook which can make the whole idea of Community development more appealing and arouse the peasant to co-operate enthusiastically in his own uplift.

A. F.

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PERSONNEL

The I. I. S. O. was started at Poona on January 6, 1951 and is at present staffed by members of the Society of Jesus.

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